

<p>IN RE:</p> <p>MICHAEL J. LOUGHRAN</p> <p>Complainant,</p> <p>v.</p> <p>MIDAMERICAN ENERGY COMPANY,</p> <p>Respondent.</p>	<p>DOCKET NO. C-01-099</p>
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(Issued April 26, 2001)

On February 16, 2001, Michael J. Loughran filed with the Utilities Board (Board) a written complaint against MidAmerican Energy Company (MidAmerican) regarding the accuracy of his gas bill dated January 25, 2001, and the failure of MidAmerican's customer service representative to properly identify himself in a message. Mr. Loughran initially wrote to MidAmerican claiming that the estimation of usage for December and January was not correct because of his activities in those months. In the letter, Mr. Loughran asked that MidAmerican recalculate his bill based upon the additional information he provided. Mr. Loughran then states that he received a telephone message from a MidAmerican customer service representative and the representative only left his first name and the message indicated that state regulations prohibited any adjustment. In his written complaint Mr. Loughran

indicated that he was disappointed in the customer service of MidAmerican and the money was "no big deal."

MidAmerican filed a response on March 15, 2001. In the response, MidAmerican stated that the customer service representative that left the message did not respond to Mr. Loughran correctly and no state regulation prevented MidAmerican from recalculating the January 25, 2001, bill. MidAmerican apologized for the misinformation and the inconvenience caused by the message. MidAmerican then stated that it did not obtain actual meter readings in December because of severe weather. MidAmerican stated that it had recalculated all customers' gas bills for January by increasing the usage charged to December. This recalculation increased the gas usage of Mr. Loughran for December from 147 therms to 200 therms and reduced Mr. Loughran's bill by \$23.77. MidAmerican then stated that it is unable to determine exactly when Mr. Loughran's usage was consumed and it made the recalculation to be fair to all customers.

In accordance with 199 IAC 6.4, Board staff notified Mr. Loughran by letter dated March 27, 2001, that MidAmerican's response was being accepted as a proposed resolution of the informal complaint and that he had 14 days to file a request for formal complaint if he was not satisfied with the resolution. On April 2, 2001, Mr. Loughran mailed a letter requesting formal complaint proceedings.

On April 17, 2001, MidAmerican filed a response to the request for a formal complaint proceeding. In the response, MidAmerican stated that Board rules and MidAmerican tariffs are silent on how to compute an estimated bill. MidAmerican stated that it considers it important that it follow a consistent methodology in

estimating bills. MidAmerican explained that it used January 2001 meter readings to redistribute the usage and to recalculate December usage for all customers as a one-time solution to the high January gas prices charged for the high December usage.

The Consumer Advocate Division of the Department of Justice (Consumer Advocate) submitted a letter on April 16, 2001, in response to the request for a formal complaint proceeding. In the letter, Consumer Advocate stated that it appeared that MidAmerican complied with all applicable rules with regard to Mr. Loughran's complaint. Consumer Advocate stated that the Board is proposing changes to the bill estimation rules in Docket No. RMU-01-1 and that docket is the appropriate forum for the issues raised by Mr. Loughran.

Iowa Code § 476.3(1) (2001) provides, in part, that following informal complaint proceedings, "[t]he complainant or the public utility also may petition the board to initiate a formal proceeding which petition shall be granted if the board determines that there is any reasonable ground for investigating the complaint." This is the standard the Board applies to requests for formal complaint proceedings.

All documents contained in the file of an informal complaint proceeding are part of the record. 199 IAC 6.7. Thus, in determining whether there is any reasonable ground for instituting formal complaint proceedings, the Board reviews the entire file.

Mr. Loughran has raised two issues in his request for a formal complaint. The first issue regards his treatment by the customer service representative. Subrule 199 IAC 19.4(1) requires that the customer service representative provide such

additional information as the customer may reasonably request, and the representative shall provide identification to the customer, which will enable the customer to reach the employee again.

The message left for Mr. Loughran did not comply with the requirements of 199 IAC 19.4(1) set out above. MidAmerican's explanation is that it did not provide the customer service representative with the information that state regulations prevented any recalculation of Mr. Loughran's bill, and MidAmerican stated that although the representative did not provide full identification, any customer service representative could provide Mr. Loughran with a response to his inquiry. Finally MidAmerican apologized to Mr. Loughran for the incorrect information and the failure of the customer representative to properly identify himself.

The Board finds that MidAmerican's apology should sufficiently resolve this issue and that no formal proceeding will be initiated. Because of the severe weather and high price of gas in December 2000 and January 2001, MidAmerican received a high volume of calls about customer gas bills. The Board believes that MidAmerican attempted to comply with 199 IAC 19.4(1) in these circumstances and has apologized for the misinformation and inconvenience to Mr. Loughran.

The second issue raised by Mr. Loughran is the failure of MidAmerican to recalculate his bill based upon the information he provided concerning his usage in December and January. Subrule 199 IAC 19.3(8) does not establish a method for calculating estimated bills and does not require that a meter reading form be left with the customer. MidAmerican did voluntarily recalculate customer bills to adjust for the increase in the cost of gas in January 2001 and the decreased usage. Board rules do

not currently require any other action on the part of MidAmerican. The Board has given notice in Docket No. RMU-01-1 concerning changes to this subrule to require proration of usage so that the cost of gas more closely follows the customer's usage.

Under current rules, the Board finds that MidAmerican is not required to take any further action with regard to Mr. Loughran's bill and finds that a formal complaint proceeding should not be initiated. Based upon the Board's review of the entire record, it finds that there are no reasonable grounds for investigating any aspects of this complaint further.

**IT IS THEREFORE ORDERED:**

The request for formal complaint proceedings filed by Michael J. Loughran on April 2, 2001, is denied.

**UTILITIES BOARD**

/s/ Allan T. Thoms

/s/ Susan J. Frye

ATTEST:

/s/ Judi K. Cooper  
Acting Executive Secretary

/s/ Diane Munns

Dated at Des Moines, Iowa, this 26<sup>th</sup> day of April, 2001.